

Proposals for Nonprofit Private College Incentive & Initiative Funding

For Current Consideration

1. Increased Funding for Virginia Tuition Assistance Grant Program

- The Virginia Tuition Assistance Grant program (TAG) is the best vehicle available to the Commonwealth of Virginia to increase the overall number of degrees (and STEM degrees) awarded by Virginia private colleges to Virginia students. The TAG award continues to be an outstanding bargain for the Commonwealth with a very significant return on investment. Virginia private colleges have the capacity statewide to enroll thousands of additional Virginia residents of all demographic backgrounds and academic levels. A significant increase in the amount of the TAG award would greatly assist Virginia's private colleges in using their available enrollment capacity.

2. Participation in a STEM-H equipment initiative

a) Incentives to nonprofit private colleges to increase the enrollment and degrees awarded to Virginia students and to increase the enrollment and degrees awarded to STEM-H students:

- Incentive funding would be provided to participating nonprofit private institutions for the purpose of acquiring STEM-H related equipment.
- Annual payments would be made to private institutions based on a formula rewarding increased enrollment of Virginia students, increased degrees awarded to Virginia students, increased enrollment of STEM-H Virginia students and increased degrees awarded in STEM-H disciplines to Virginia students. Payments to private institutions would be based on increases achieved in the above categories over an established baseline year. Funds payable to nonprofit private institutions would be used for the acquisition of STEM-H related equipment.
- The payments to private institutions for acquisition of STEM-H related equipment would be pursuant to a contract between the Commonwealth of Virginia and the participating institution. In the contract, the participating institution would agree to increase the number of Virginia students enrolled, the number of degrees awarded to Virginia students, the number of enrolled STEM-H students and the number of STEM-H degrees awarded. The Commonwealth of Virginia would agree to make the incentive payment to the institution based on increases in the above categories over a baseline year. The contract would be developed pursuant to the provisions of the *Constitution of Virginia*, Article VIII, Section 11 which states, "The General Assembly may also provide for the Commonwealth or any political subdivision thereof to contract with such institutions for the provision of education or other related services." The reference to "such institutions" refers to the first line of Section 11, which references "nonprofit institutions of higher education in the Commonwealth whose primary purpose is to provide collegiate or graduate education and not to provide religious training or theological education."

- Each eligible nonprofit private institution in Virginia would need to elect whether it wants to voluntarily participate in this program and enter into a contract with the Commonwealth of Virginia.

b) Competitive matching grants to private nonprofit institutions for the acquisition of STEM-H equipment

- The Commonwealth of Virginia would appropriate a pool of funds administered by SCHEV for matching grants to private institutions for the acquisition of STEM-H equipment.
- Participating colleges would match state funds on a 2:1 basis.
- Selection of grant recipients would be on a merit basis pursuant to regulations which would reward institutions for initiating programs which implement the goals of the Higher Education Opportunity Act and the recommendations of the Governor's Higher Education Commission.

3. Nonprofit private college participation in the Governor's Internship Grant Program as proposed by the subcommittee chaired by Dr. Rose.

- Students attending nonprofit private institutions would participate in the Governor's Internship Grant Program on the same terms as students attending Virginia's public institutions.
- Funds under this program are awarded directly to the student.

For Future Consideration

4. Creation of a State Sponsored Supplemental Loan Program

- Creating a state sponsored supplemental loan program would provide attractive student loan financing to a diverse range of students at Virginia's public and private colleges. Many middle-income Virginia families are caught in a college affordability gap, where they do not qualify for need-based aid yet cannot afford the financial investment of college expenses. A state sponsored loan program would target the affordability gap and assist middle-income families in making college more affordable. Surplus funds generated by the loan program could be used to subsidize students enrolled in targeted high need areas, such as STEM programs and health care.

5. Summer STEM-H Enrichment and Research Initiatives

a) STEM-H Summer Enrichment Programs

- The Commonwealth would appropriate funds to SCHEV for the purpose of grants to participating public and nonprofit private colleges for the creation of STEM-H summer enrichment programs which would be both residential and non-residential. The programs would be conducted at the participating public or private institution on weekends and during the summer with the intention of introducing STEM-H disciplines and programs to middle and high school students.

- Data presented to the Governor’s Higher Education Commission indicated that one reason that there are not as many STEM-H graduates as desired is the failure to expose student to these fields during their middle and high school education. This program would offer early exposure to high school and middle school students to STEM-H disciplines on the campuses of Virginia’s public and private institutions in a manner intended to interest students in these fields of study.

b) Commonwealth of Virginia support for students participating in summer research programs at Virginia public and nonprofit institutions.

- The Commonwealth of Virginia would award a stipend to students participating in eligible summer research programs at participating public and private institutions.
- Approval of programs and the terms of student participation would be made pursuant to regulations established by SCHEV.
- Summer research programs have been shown to increase academic performance, student retention and make it more likely that STEM-H students would attend graduate school.

6. Public – Private Partnerships

a) Pursuant to the “initiatives” category of the T21 legislation, a program to encourage the exchange of curriculum among public and private institutions.

- Funding would be awarded on a competitive basis to nonprofit private institutions for the establishment of electronic classrooms.
- Funding awarded to private institutions would be pursuant to a contract between the Commonwealth of Virginia and the participating private institution. Participating colleges would agree to enter into agreements with other participating private or public institutions for the sharing of academic programs and faculty resources.
- Regulations and criteria would be developed by SCHEV. SCHEV would process applications and make final award decisions.

b) Funding to support outsourcing of certain administrative functions at nonprofit private colleges to public institutions

- Funds would be used either for the cost of a study concerning the feasibility of nonprofit private colleges outsourcing administrative functions to public institutions or for startup costs to implement outsourcing programs.

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